[Mr. P. Govinda Menon]
In fact, the local procurement has been more than in any previous year. It is on account of the most unfortunate accident of the non-arrival of the steamer.

മിസ്റ്റർ എം. ഒ. തോമക്കുട്ടി. സ്റ്റീമർ വല്ലപ്പോഴും വരാതിരുന്നാൽ സ്റ്റീമർ വരുന്നതു വരെ ക്ഷാമം കൂടാതെ കഴിക്കുവാനായിട്ടുള്ള ഭക്ഷണസാധനങ്ങൾ എപ്പോഴും കരുതിവെച്ചിരിക്കേണ്ടതല്ലെ?

Mr. President : There is no discussion on this matter in this House. Any point made in the statement will be elucidated. We are not raising a discussion.

Mr. K. Balakrishna Menon (*Cheruthuruthi*)*:* I have already tabled an adjournment motion to discuss the very question. I would suggest that it would be better to reserve all discussions to that occasion.

Mr. President : That is what I said. There is no discussion now. Certain adjournment motions have been received just 3 or 4 minutes before 11-30 today. The usual practice has been that the adjournment motions reach the Secretary or the President half-an hour at least before the meeting.

Mr. P. Kumaran Ezhuthassan (*Vadakkancheri*)*:* No.

Mr. President: Will the Hon'ble Member have patience to hear me? Therefore, I had no time to look into the question of admissibility with three or four minutes before me. Therefore, whether they are admissible or not, decision on that will be given by me tomorrow.

6. Presentation of Budget

Mr. K. Govinda Menon *(Comptroller of Finance and Accounts):* Sir, with your kind permission, I rise to present the budget estimate for 1123. In doing so, I would at the very outset, crave the indulgence of the House due to one who has, for the first time in his career, the honour and the privilege of presenting the budget.

Thanks to the far-sightedness of our gracious Maharaja we have the Cabinet form of Government in our State and the budget has had the unique distinction, for the first time in the annals of the State, of bearing the *imprimatur* of this body after full discussions. The responsibility in the scrutiny of the budget has also been further shared by the members of the Standing Finance Committee elected by the Legislature. My work has, in these circumstances, been considerably lightened by the scrutiny by two bodies representing the Legislature and these are important factors which would, no doubt, ensure an easy passage for the budget. As it is quite unnecessary for me to repeat in full the details contained in my Memorandum, I propose to refer only to the more important features that merit attention.

Actuals—1121.—Time-honoured custom requires me to refer in brief detail to the actuals of the past yeer before I enter into the current year. According to the budget estimate the year was expected to close with a net surplus of Rs. 6·77 lakhs; the actuals, however, gave us a surplus of Rs. 42·27 lakhs owing te unexpected increase in revenue under Salt, Income-tax, Railway, etc., and savings in expenditure mainly under Forest, Education and Public Works. The contribution to the Government of India under Central Excise duties like Betel-nut, etc., did not also come up for payment. Of the surplus, a sum of Rs. 25 lakhs was transferred to the Revenue Reserve Fund and Rs. 5 lakhs to the Industrial Development Fund.

Revised estimate 1122.—When framing the budget estimate for the current year, we counted on a total realisation of revenue of Rs. 357·07 lakhs and programmed for an expenditure of Rs. 354·38 lakhs leaving a surplus of Rs. 2·69 lakhs. On the basis of the actuals so far collected and other relevant information available we hope to realise Rs. 374·69 lakhs—an improvement of Rs. 17·62 lakhs and expect to spend Rs. 372·95 lakhs thus closing with a smaller surplus than originally anticipated. Even though the anticipations of revenue from Sales-tax proved to be disappointing owing to the large number of exemptions, the loss has been more than made up by collection of arrears of Excess Profits Tax and the larger revenue fetched from Stamps, Forests and Tramway and the Vehicles taxation.

The year witnessed striking changes. First and foremost is the introduction of the Cabinet system of Government, with most of the departments of the State transferred to the control of the four popular Ministers and the creation of the convention of joint discussions and decisions by the Cabinet.

The adoption of the system of adult franchise and the organisation of an Election department to cope with the increased work resulting therefrom and to conduct Municipal and Panchayat Elections more efficiently, the creation of a new department of Libraries for better organisation of rural libraries, so necessary for the approach to our goal of universal education, the complete overhaul of the Public Works department to make it as efficient as possible, so that

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the lakhs that are spent by the department are spent well, the thorough re-organisation of the Income-tax department on the introduction of the Sales-tax, the creation of the posts of Reforms Commissioner and Constitutional Adviser with staff, payment of full dearness allowance to Aided Primary Teachers, revision of pay of teachers, etc., were some of the items that contributed to the increased expenditure. An interim relief of one month's pay paid to the low paid staff whose condition calls for improvement cost the Government Rs. 4 lakhs. Purchase of new cars under State Conveyances and the increased maintenance charges of Railway also accounted for the increase in expenditure.

Before proceeding to the subject of the day I may add that Government are not unaware of the growth of expenditure under "Establishment"; the period of war witnessed the creation of nearly 3600 appointments—about 1500 appointments on Rupees 15 and below, another 2000 or a little more on Rs. 100 and below and about 100 appointments on a salary above Rs. 100 and the expenditure under establishment (basic pay) grew from Rs. 30·2 lakhs in 1115 to Rs. 60·00 lakhs for 1123 excluding the lump provision of Rs. 18·00 lakhs for revision of pay. This is a feature peculiar not only to this State but also to every Province or State in India which had to face the impact of this phenomenal upheaval. I may illustrate my point from quoting the figures for the establishment of the Central Government.

The original eight departments of the Government of India were constituted into sixteen departments. The expenditure on the Government of India Secretariat in 1938—39 in some of the departments has grown many times as noted below.

In lakhs

Departments	*1938—39*	*1947—48*
	Rs.	*Rs.*
Home	29.74	39.57
Communication and Transport	2·84	30·64
Commerce	6·49	41·18
Labour	5·64	20·46
Education Health, Lands etc.	8·95	39·00

The expansion of work in all directions had no doubt made the growth necessary at the time. An inevitable concomitant of the war as this was, the establishments have, however, continued to this day even though the war ended two years ago. A war-less war is still being fought on all sides—on the food front, cloth front, fuel front, etc.,—and we are still not out of the woods. Yet, Government have decided that it is essential in the interest of the State to effect as much retrenchment as possible not only in the domain of temporary establishments, but wherever possible. For this purpose Government have appointed a committee to go into the question in detail. It is hoped that the committee would be able to suggest effective retrenchments on all sides.

Paradoxical, as it may seem, this year also witnessed the working of a committee or committees for the revision of pay of all establishments owing to the abnormal increase in the cost of living and the improvement in the standard of life. Orders on pay revision proposals are expected to issue shortly. The passing year also witnessed the conclusion of the labours of the Prohibition Committee, on whose valuable report, Government have already passed orders for starting prohibition with the Chittur Taluk.

Budget Estimate for 1123.—I now turn to the budget for the coming year. The estimated revenue for the year is Rs. 419·96 lakhs including the amounts taken from the Reserve Funds and the expenditure from revenue is estimated to be Rs. 417·95 lakhs leaving a surplus of over Rs. 2 lakhs.

Receipts.—The abolition of Salt Tax, the introduction of prohibition in the Chittur Taluk, the decline in the Income-tax owing to the withdrawal of Excess Profits Tax and in sales tax owing to exemptions, created a difficult problem for the Government to solve in framing the budget. The expenditure, on the other hand, shows less of decline as is only to be expected since new expenditure of the nation-building kind is fast replacing the decline under "Defence and War Measures". Sacrifice of revenue at one end and increase of expenditure at the other end to meet the ever-growing needs of our people, give us adequate justification for the new and increased taxation. On the side of expenditure, the one criterion by which Government have been guided in their policies and programmes is how far these go to satisfy the aspirations of the masses who are eagerly waiting for an economic and social miracle to occur within the span of a few years. The development proposals envisaged by us accordingly embody these aspirations. In the programme of Post-war Reconstruction we have followed more or less the same programme, though in our limited sphere as the Congress Provinces. In the priority of objectives we have

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